

MR01

Particulars of a charge

228301/13



Companies House

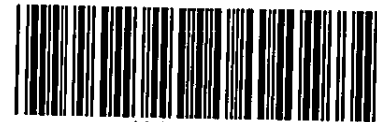
A fee is payable with this form  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form  
to register a charge where the  
instrument is used to create a  
charge. Use form MRC

For further information please



A19

\*A415RQTM\*

13/02/2015

#26

COMPANIES HOUSE

This form must be delivered to the Registrar for registration  
21 days beginning with the day after the date of creation of the charge.  
If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

FRIDAY

☒ You must enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

**1 Company details**

Company number 05518878

Company name in full INTERFLOOR OPERATIONS LIMITED

For official use

Filing in this form

Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 13/02/2015

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name LLOYDS BANK PLC (AS SECURITY AGENT)

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

MR01

Particulars of a charge

4

**Brief description**

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

✓ The Chargor's interest in the land and buildings on the north east side of Knowsley Road, Haslingden, Rossendale, Lancashire, BB4 4LS United Kingdom registered at the Land Registry with freehold title absolute under title number LA913212, among others For more details please refer to the instrument

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

**Other charge or fixed security**

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

✓ ☒ **Yes**

☐ **No**

6

**Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

✓ ☒ **Yes** Continue

☐ **No** Go to **Section 7**

✓ Is the floating charge expressed to cover all the property and undertaking of the company?

☒ **Yes**

7

**Negative Pledge**

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ **Yes**

☐ **No**

8

**Trustee statement <sup>①</sup>**

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

<sup>①</sup> This statement may be filed after the registration of the charge (use form MR06)

9

**Signature**

Please sign the form here

Signature

Signature

X *Reed Smith LLP* X

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name ELEANOR NUGENT

Company name REED SMITH LLP

Address THE BROADGATE TOWER

20 PRIMROSE STREET

LONDON

Post town LONDON

County/Region LONDON

Postcode E C 2 A 2 R S

Country UNITED KINGDOM

DX

Telephone 02031163863 / m n 769306 00001



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



### Important information

Please note that all information on this form will appear on the public record.



### How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



### Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

**For companies registered in England and Wales**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 5518878

Charge code: 0551 8878 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th February 2015 and created by INTERFLOOR OPERATIONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th February 2015

P

Given at Companies House, Cardiff on 21st February 2015



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**EXECUTION VERSION**

DATED 13 FEBRUARY 2015

- (1) INTERFLOOR GROUP LIMITED  
(as Parent)
- (2) THE SUBSIDIARIES OF THE PARENT LISTED IN  
SCHEDULE 1  
(as Original Chargors)
- (3) LLOYDS BANK PLC  
(as Security Agent)

**DEBENTURE**

REFERENCE BD/EN/769306 00001

WE HEREBY CERTIFY THAT THIS IS  
A TRUE COPY OF THE ORIGINAL

REED SMITH LLP

REED SMITH LLP  
DATED 13 February 2015

## CONTENTS

### CLAUSE

1	DEFINITIONS AND INTERPRETATION	..	.3
2	COVENANT TO PAY	.	.8
3	FIXED SECURITY	.	8
4	FLOATING CHARGE	.. . .	10
5	RESTRICTIONS ON DEALING	.	11
6.	MATERIAL REAL PROPERTY	.	11
7	INVESTMENTS	..	12
8	INTELLECTUAL PROPERTY	.. . .	14
9	ACCOUNTS	.	15
10	INSURANCES	.. . .	15
11	PROVISIONS AS TO SECURITY	.	16
12	FURTHER ASSURANCE	.	20
13.	WHEN SECURITY BECOMES ENFORCEABLE	.. . .	20
14	ENFORCEMENT OF SECURITY	.. . . . .	21
15	APPOINTMENT OF RECEIVER OR ADMINISTRATOR		23
16	POWERS OF RECEIVERS	.	23
17	APPLICATION OF MONIES	.	24
18	PROTECTION OF PURCHASERS	.	24
19	POWER OF ATTORNEY	.	25
20	EFFECTIVENESS OF SECURITY	..	25
21	PRIOR SECURITY INTERESTS	.	28
22	SUBSEQUENT SECURITY INTERESTS	.. . .	28
23	SUSPENSE ACCOUNTS	.. . .	28
24	NOTICES	.	29
25.	COUNTERPARTS	.. . .	29
26.	GOVERNING LAW	.. . .	29

### SCHEDULES

SCHEDULE 1	..	.30
THE CHARGORS	.. . . . .	30
SCHEDULE 2	.. . . . .	.31
REAL PROPERTY	.	31
SCHEDULE 3	.. . .	.32
SHARES	.. . . . .	32
SCHEDULE 4	.	.. .33
INTELLECTUAL PROPERTY	.	.. 33
SCHEDULE 5	.. . . . .	.. 46
PART 1 NOTICE OF ASSIGNMENT OF LEASE	..	46

PART 2 ACKNOWLEDGEMENT OF ASSIGNMENT OF LEASE	47
SCHEDULE 6	49
PART 1 NOTICE OF ASSIGNMENT OF INSURANCE POLICY	49
PART 2 ACKNOWLEDGEMENT OF ASSIGNMENT OF INSURANCE POLICY . . . . .	50
SCHEDULE 7	52
PART 1 NOTICE OF SECURITY OVER ACCOUNTS	52
PART 2 ACKNOWLEDGEMENT OF SECURITY OVER ACCOUNTS	53
SCHEDULE 8	54
FORM OF SECURITY ACCESSION DEED	54
SIGNATURES TO THE DEBENTURE	62

THIS DEBENTURE is dated 13 February 2015

AND IS MADE BETWEEN

- (1) Interfloor Group Limited a company incorporated in England and Wales with registered number 05516829 and registered address at Broadway, Haslingden, Rossendale, Lancashire, BB4 4L (the "Parent");
- (2) The Subsidiaries of the Parent listed in Schedule 1 (*The Chargors*) (together with the Parent, the "Original Chargors"), and
- (3) Lloyds Bank plc as security trustee for itself and the other Secured Parties on the terms and conditions set out in the Facilities Agreement (the "Security Agent" which shall include any person for the time being appointed as trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement)

IT IS AGREED as follows

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined

In this Debenture

"Account" means any credit balance from time to time on any account opened or maintained by any Chargor with any bank, building society, financial institution or other person (and any replacement account or subdivision or subaccount of that account) and includes all Related Rights.

"Additional Chargor" means a company which creates Security over its assets in favour of the Security Agent by executing a Security Accession Deed

"Administration Event" means

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor,
- (b) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to any Chargor or files such a notice with the court; or
- (c) a resolution is passed or an order is made for the winding up, dissolution or administration of any Chargor or an administrator is appointed to any Chargor,

other than frivolous or vexatious applications which are discharged, stayed or dismissed within 14 days of commencement



**“Charged Assets”** means all of the assets and undertaking of each Chargor, both present and future, which from time to time are the subject of any Security created or expressed to be created by it in favour of the Security Agent by or pursuant to this Debenture

**“Chargor”** means an Original Chargor or an Additional Chargor

**“Debt Documents”** has the meaning given to it in the Intercreditor Agreement

**“Declared Default”** has the meaning given to it in the Facilities Agreement

**“Debtor”** has the meaning given to it in the Intercreditor Agreement

**“Facilities Agreement”** means the facilities agreement dated on or about the date hereof between, among others, the Parent as original borrower and guarantor, Crescent Capital Group LP and Lloyds Bank plc as arrangers, Lloyds Bank plc as agent, Lloyds Bank plc as security trustee and the other parties listed therein

**“Finance Document”** has the meaning given to it in the Facilities Agreement

**“Haslingden Property”** means

- (a) the property of the Group located on the north east side of Knowsley Road, Haslingden, Rossendale, Lancashire, BB4 4LS, United Kingdom registered at the Land Registry with title numbers LA913212 and LA915709, and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that property

**“Insurance Policy”** means any policy of insurance (including life insurance or assurance) in which any Chargor may from time to time have an interest together with all amounts payable to such Chargor under or in connection with each of those policies and includes all Related Rights

**“Intellectual Property”** means in relation to a Chargor

- (a) all of the Chargor’s patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of each member of the Group,

including the intellectual property described in Schedule 4 (*Intellectual Property*) and includes all Related Rights

**“Intercreditor Agreement”** means the intercreditor agreement dated the same date as this Agreement and made between, among others, the Parent, the Company, the Arranger, the Agent, the Security Agent and the Lenders

**“Intra-Group Loan”** means any loan by any Chargor as lender to any other member of the Group as borrower

**“Investments”** means

- (a) the Shares,
- (b) all other shares, stocks, debentures, bonds, warrants, coupons, options, other securities and investments and rights to subscribe for other investments, and
- (c) all negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the relevant Chargor or by a trustee or clearance system or nominee,

in each case whether held directly by, or to the order of, the relevant Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (and including all rights against any such trustee, nominee, fiduciary or clearance system).

**“Lease”** means in relation to any of the Material Real Property which is leasehold, the lease or leases, agreement for lease, tenancy or licence pursuant to, and in accordance with which, a Chargor holds such Material Real Property and any instrument supplemental to it or which is expressed to be collateral to it or entered into pursuant to or in accordance with its terms

**“Liabilities”** has the meaning given to it in the Intercreditor Agreement

**“Material Leases”** means a leasehold interest in a property in respect of which, it has an unexpired term of 25 years or more

**“Material Real Property”** means

- (a) the Haslingden Property,
- (b) any freehold Real Property which has a value in excess of £250,000, and
- (c) any Material Leases,

and includes all Related Rights

**“Planning Acts”** means all legislation from time to time regulating the development, use, safety and control of Real Property and highways including but not limited to the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Local Government, Planning and Land Act 1980, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any regulations made pursuant to any of the foregoing

**"Plant and Machinery"** means in relation to any Chargor all present and future plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress and includes all Related Rights)

**"Real Property"** means

- (a) any freehold, leasehold or immovable property (including without limitation the freehold and leasehold property in England and Wales described in Schedule 2 (*Real Property*)), and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,

of each Chargor and includes all Related Rights

**"Receiver"** means a receiver, receiver and manager or, where permitted by law, an administrative receiver (as the Security Agent may specify at any time in any relevant appointment) and that term will include any appointee made under a joint or several appointment

**"Related Rights"** means, to the extent applicable in relation to any asset

- (a) the proceeds of sale, transfer or other disposal (or agreement for sale, transfer or other disposal) of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, Security Interest, guarantees, indemnities or covenants for title in respect of that asset,
- (d) any dividend, interest or other distribution paid or payable,
- (e) any moneys and proceeds paid or payable in respect of that asset,
- (f) any awards or judgments in favour of a Chargor in respect of that asset, and
- (g) any other assets deriving from or relating to that asset

**"Secured Obligations"** means all the Liabilities and all other monies and liabilities on or after the date of this Debenture due, owing or incurred by any Obligor and by each Debtor to the Secured Parties (or any of them under the Debt Documents) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Secured Party under any Finance Document

**"Secured Parties"** has the meaning given to it in the Facilities Agreement

“Security” means any security executed, created, evidenced or conferred by or pursuant to this Debenture

“Security Accession Deed” means a deed in substantially the form set out in Schedule 8 (*Form of Security Accession Deed*)

“Security Interest” means any mortgage, charge, assignment, pledge, lien or other security interest securing any obligations of any person or any other agreement or arrangement having the effect of conferring security

“Security Period” means the period beginning on the date of this Debenture and ending on the Senior Discharge Date

“Senior Discharge Date” means has the meaning given to it in the Intercreditor Agreement.

“Shares” means all of the shares held by a Chargor in any member of the Group incorporated in England and Wales and any other shares owned by or held by any nominee on behalf of any Chargor including those shares described in Schedule 3 (*Shares*)

“Specific Contracts” means any agreement documenting any Intra-Group Loan and any Hedging Agreement entered into by a Chargor in connection with the Finance Documents and includes all Related Rights

## **1.2 Terms defined in other Finance Documents**

Unless defined in this Debenture, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Debenture, or any notice given under or in connection with this Debenture, as if all references in those defined terms to the Facilities Agreement or other Finance Document were a reference to this Debenture or that notice

## **1.3 Construction**

Clause 1.2 (*Construction*) of the Facilities Agreement will apply as if incorporated in this Debenture, or in any notice given under or in connection with this Debenture, as if all references in that Clause to the Facilities Agreement were a reference to this Debenture or that notice

## **1.4 Intercreditor Agreement**

This Debenture is subject to the terms of an Intercreditor Agreement dated the date of this Debenture

## **1.5 Disposition of Property**

The terms of the Facilities Agreement and each other Finance Document and of any side letters between the Parties in relation to the Finance Documents are incorporated into this Debenture and each other Finance Document to the extent required for any purported disposition of any Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

## **1.6 Clawback**

If the Security Agent reasonably considers that any amount paid or credited to any Finance Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargors under this Debenture and the Security constituted by those documents will continue and such amount will not be considered to have been irrevocably paid

## **1.7 Third Party Rights**

A person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture

## **1.8 Deed**

It is intended that this Debenture takes effect as a deed notwithstanding the fact that a party may only execute this document under hand

## **2. COVENANT TO PAY**

Each Chargor covenants with the Security Agent as security trustee for the Secured Parties, to pay, discharge and satisfy the Secured Obligations when they become due for payment and discharge in accordance with their respective terms

## **3. FIXED SECURITY**

### **3.1 General**

All Security created by a Chargor under this Clause 3 and Clause 4 (*Floating Charge*) inclusive is

- (a) granted in favour of the Security Agent as security trustee for the Secured Parties,
- (b) continuing security for the payment, discharge and performance of the Secured Obligations;
- (c) granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (but subject to any Permitted Security and any encumbrances disclosed in the Certificate of Title), and
- (d) granted in respect of all the right, title and interest (if any), present and future, of that Chargor in and to the relevant Charged Asset

### **3.2 Mortgage**

Each Chargor charges by way of first legal mortgage, all of its right, title and interest from time to time in the Material Real Property

### **3 3 Assignment by way of Security**

- (a) Each Chargor assigns and agrees to assign absolutely (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 2 (*Mortgage*)) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same, all of its right, title and interest to from time to time in and to each of the following assets
  - (i) any agreements, contracts, deeds, leases, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefiting any Chargor in respect of the Material Real Property described in Schedule 2 (*Real Property*),
  - (ii) any Insurance Policies and all proceeds paid or payable thereunder, and
  - (iii) each of the Specific Contracts
- (b) Each Chargor shall remain liable to perform all its obligations under the assets described in paragraphs (a)(i) to (iii) above inclusive
- (c) Notwithstanding the other terms of this Clause 3 3, prior to a Declared Default, each Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Specific Contracts

### **3 4 Fixed charges**

Each Chargor charges (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 2 (*Mortgage*) or assigned pursuant to Clause 3 3 (*Assignment by way of Security*)) by way of first fixed charge, all of its rights, title and interest from time to time in and to each of the following assets

- (a) the Material Real Property,
- (b) the Accounts,
- (c) its book and other debts and monetary claims owing to it and any proceeds of those debts and claims and all Related Rights,
- (d) the Intellectual Property,
- (e) the Plant and Machinery,
- (f) any goodwill and rights and claims in relation to its uncalled share capital,
- (g) the Investments,
- (h) any beneficial interest, claim or entitlement it has to any pension fund now or in the future, and

- (i) each of the assets which are described in Clause 3.3 (*Assignment by way of Security*)

#### **4. FLOATING CHARGE**

##### **4.1 Floating charge**

- (a) Each Chargor charges by way of first floating charge all present and future assets and undertaking of such Chargor other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under Clauses 3.2 (*Mortgage*), 3.4 (*Fixed charges*) or 3.3 (*Assignment by way of Security*)
- (b) The floating charge created by paragraph (a) above is a qualifying floating charge and Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to such floating charge

##### **4.2 Conversion of floating charge to fixed charge**

- (a) The Security Agent may at any time by notice to the relevant Chargor convert the floating charge constituted under Clause 4.1 (*Floating charge*) with immediate effect into a fixed charge as regards any asset which is the subject of the floating charge and which is specified in the notice if
  - (i) this Debenture is enforceable in accordance with Clause 13 (*When security becomes enforceable*),
  - (ii) the Security Agent reasonably considers that any of the Charged Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
  - (iii) the Security Agent reasonably considers that it is necessary in order to protect the priority of the Security
- (b) In addition, without prejudice to any rule of law which may have a similar effect, the floating charge constituted under Clause 4.1 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge if
  - (i) a Chargor creates (or attempts to create) any Security over any Charged Assets (save as expressly permitted under the Facilities Agreement),
  - (ii) a Chargor disposes (or attempts to dispose) of all or any of its Charged Assets (save as expressly permitted under the Facilities Agreement),
  - (iii) any person levies (or attempts to levy) any distress, execution or other process against any Charged Asset which is not discharged within 5 business days, or
  - (iv) an Administration Event occurs

## **5. RESTRICTIONS ON DEALING**

### **5.1 Restrictions on dealings**

No Chargor may

- (a) create or allow to exist any Security Interest on any of its Charged Assets (except for this Security), or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily sell, transfer, licence lease or otherwise dispose of all or any part of its Charged Assets or enter into any other preferential arrangement having a similar effect,

unless expressly permitted under the Facilities Agreement

## **6. MATERIAL REAL PROPERTY**

### **6.1 Material Real Property**

Each Chargor represents and warrants to the Security Agent on the date of this Debenture or, as applicable, the date of any Security Accession Deed pursuant to which it becomes a party to this Debenture, that all Material Real Property in respect of which it has an interest is described in Schedule 2 (*Material Real Property*) (or the relevant schedule to a Security Accession Deed, as applicable)

### **6.2 Leases**

Each Chargor must

- (a) perform all the terms on its part contained in any Lease, agreement for lease, licence or other agreement or document which gives that Chargor a right to occupy or use property comprised in its Material Real Property to the extent that failure to do so would be materially prejudicial to the Finance Parties;
- (b) duly and punctually comply with all material covenants and stipulations affecting the Material Real Property or the facilities (including access) necessary for the enjoyment and use of the Material Real Property to the extent that failure to do so would be materially prejudicial to the Finance Parties, and
- (c) not do or allow to be done any act as a result of which any Lease comprised in its Material Real Property may become liable to forfeiture or otherwise be terminated

### **6.3 Acquisitions**

If a Chargor acquires any Material Real Property after the date of this Debenture, it must

- (a) promptly notify the Security Agent,



- (b) promptly on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in any form which the Security Agent may require (in accordance with the Agreed Security Principles and consistent with this Debenture),
- (c) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security and any mortgage, and
- (d) if applicable, ensure that this Security and any mortgage is correctly noted in the Register of Title against that title at the Land Registry

#### **6.4 Compliance with regulations, etc**

Each Chargor shall at all times

- (a) observe and perform (and use all reasonable endeavours to ensure the observance and performance by any other person or persons at any time occupying or using all and any part of the Material Real Property of) the Planning Acts, building regulations and all restrictions, conditions and stipulations for the time being affecting all or any part of the Material Real Property or the mode or use or enjoyment of the same, and
- (b) preserve and renew when desirable or necessary all Authorisations and rights relating to the Material Real Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **7. INVESTMENTS**

#### **7.1 Certificated Investments**

As soon as reasonably practicable after its acquisition of any certificated Investment, each Chargor

- (a) must deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to that Investment; and
- (b) must promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain legal title to that Investment and this includes,
  - (i) delivering executed share transfers in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent so directs, with the transferee left blank, and

- (ii) procuring that those share transfers are registered by the company in which the Investments are held and that share certificates in the name of the transferee are delivered to the Security Agent

For the avoidance of doubt, the Security Agent will not require any Investment to be transferred into the name of the Security Agent as owner or otherwise obtain a legal title to an Investment prior to the Security becoming enforceable.

## **7.2 Changes to rights**

No Chargor may (except to the extent permitted by the Facilities Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Shares being issued

## **7.3 Other obligations in respect of Investments**

No Finance Party will be required in any manner to

- (a) perform or fulfil any obligation of a Chargor;
- (b) make any payment,
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor, or
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount,

in respect of any Investment

## **7.4 Voting rights and dividends**

- (a) Prior to the occurrence of a Declared Default, each Chargor shall be entitled to
  - (i) receive all dividends, interest and other monies arising from the Investments, and
  - (ii) subject to Clause 7.6 (*Voting Rights*), exercise all voting rights in relation to the Investments
- (b) On and following the occurrence of a Declared Default, the Security Agent may, at its discretion, (in the name of the relevant Chargor or otherwise and without any further consent or authority from such Chargor)
  - (i) exercise (or refrain from exercising) any voting rights in respect of the Investments,
  - (ii) apply all dividends, interest and other monies arising from the Investments in accordance with Clause 17 (*Application of Monies*),

- (iii) transfer the Investments into the name of the Security Agent or such nominee(s) of the Security Agent as it shall require, and
- (iv) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Investments, including the right, in relation to any company whose shares or other securities are included in the Investments, to concur or participate in
  - (A) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),
  - (B) the release, modification or variation of any rights or liabilities attaching to such shares or securities, and
  - (C) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Agent thinks fit, and the proceeds of any such action shall form part of the Investments

#### **7.5 Payment of calls**

Each Chargor shall pay when due all calls or other payments which may be or may become due in respect of any of the Investments, and in any case of default by it in such payment, the Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Security Agent shall be reimbursed by the relevant Chargor to the Security Agent on demand

#### **7.6 Voting Rights**

No Chargor shall exercise its voting rights in relation to the Investments in any manner, or otherwise permit or agree to any variation of the rights attaching to or conferred by all or any part of the Investments, in a manner which may adversely affect the validity or enforceability of the Security or cause an Event of Default to occur

### **8. INTELLECTUAL PROPERTY**

#### **8.1 Representations**

- (a) Each Chargor represents to the Security Agent that, as at the date of this Debenture or, as applicable, the date of any Security Accession Deed pursuant to which it becomes a party to this Debenture, all Intellectual Property which is material to its business is identified in Schedule 4 (*Intellectual Property*)
- (b) Each Chargor shall promptly notify the Security Agent if it acquires, develops or establishes any Intellectual Property after the date of this Debenture which is registered and which is material to its business

## **8.2 Preservation**

Each Chargor must promptly, if requested to do so by the Security Agent (acting reasonably), sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property in any jurisdiction (including the United Kingdom Trade Marks Register) which either record the existence of this Debenture or the restrictions on disposal imposed by this Debenture.

## **9. ACCOUNTS**

### **9.1 Accounts**

Each Chargor must, on the date of this Debenture or upon the date of any Security Accession Deed (or, if later, promptly following the establishment or variation of any Account after the date of this Debenture or Security Accession Deed, as applicable), deliver details of such Account to the Security Agent

### **9.2 Book debts and receipts**

Each Chargor must get in and realise its

- (a) securities to the extent held by way of temporary investment,
- (b) book and other debts and other moneys owed to it, and
- (c) royalties, fees and income of any nature owed to it,

in the ordinary course of its business and, following the occurrence of a Declared Default, pay such monies into such account as the Security Agent may designate

### **9.3 Withdrawals**

After this Security has become enforceable, the Security Agent or the Agent may (subject to the payment of any claims having priority to this Security and subject to the Intercreditor Agreement) withdraw, transfer or set-off all or any amounts standing to the credit of any Account to satisfy the Secured Obligations

## **10. INSURANCES**

### **10.1 Rights**

After the occurrence of a Declared Default

- (a) the Security Agent may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any of the rights of any Chargor in connection with any amounts payable to it under any of its Insurances,

- (b) each Chargor must take such steps (at its own cost) as the Security Agent may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor; and
- (c) each Chargor must hold any payment received by it under any of its Insurances (excluding proceeds of any third party liability insurances paid to the Chargor to meet third party claims) on trust for the Security Agent

## **11. PROVISIONS AS TO SECURITY**

### **11.1 Implied covenants for title**

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3 (*Fixed Security*) or 4 (*Floating charge*)
- (b) It shall be implied in respect of Clauses 3 (*Fixed Security*) and 4 (*Floating charge*) that a Chargor is disposing of the Charged Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment), save for any Permitted Security and any encumbrances described in the Certificate of Title

### **11.2 Notice of Security: Leases**

Each Chargor will

- (a) immediately upon the date of this Debenture or upon the date of any Security Accession Deed by which it became party to this Debenture or, if later, upon acquiring a lease, give notice to all landlords, tenants and other persons who are parties to any Leases of the fixed charge constituted under this Debenture in respect of any such Lease, the notice being in the form set out in Part 1 of Schedule 5 (*Notice of Assignment of Lease*), and
- (b) use all reasonable endeavours to procure from each of such landlords, tenants, and other persons an acknowledgement of receipt of such notice in the form set out in Part 2 of Schedule 5 (*Acknowledgement of Assignment of Lease*) within 20 Business Days of the date of this Debenture or any Security Accession Deed by which it became party to this Debenture. If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement, its obligations to obtain acknowledgment shall cease on the expiry of that 20 Business Day period

### **11.3 Notice of Security: Insurance Policies**

Each Chargor will

- (a) immediately upon the date of this Debenture or upon the date of any Security Accession Deed by which it became party to this Debenture (and promptly upon any future Insurance Policies being entered into by that Chargor), give notice to each

insurer party to each of the Insurance Policies of the assignment constituted under this Debenture, the notice being in the form set out in Part 1 of Schedule 6 (*Notice of Assignment of Insurance Policy*), and

- (b) use all reasonable endeavours to procure from each insurer an acknowledgement of receipt of such notice in the form set out in Part 2 of Schedule 6 (*Acknowledgement of Assignment of Insurance Policy*) within 20 Business Days of the date of this Debenture or any Security Accession Deed by which it became party to this Debenture or, if later, the date of entry into that Insurance (as appropriate) If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement, its obligations to obtain acknowledgment shall cease on the expiry of that 20 Business Day period

#### **11.4 Notice of Security: Accounts**

Each Chargor will

- (a) immediately upon the date of this Debenture or upon the date of any Security Accession Deed by which it became party to this Debenture, in relation to each Account and each other account maintained by it, or if later, promptly upon the opening of any other Account, give notice to the relevant bank, building society, financial institution or other person of the assignment constituted under this Debenture, the notice being in the form set out in Part 1 of Schedule 7 (*Notice of Security to Approved Bank*), and
- (b) use all reasonable endeavours to procure from the relevant bank, building society or other financial institution or other person, an acknowledgement of receipt of such notice in the form set out in Part 2 of Schedule 7 (*Acknowledgement of Security by Approved Bank*) within 20 Business Days of the date of this Debenture or any Security Accession Deed by which it became party to this Debenture If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement, its obligations to obtain acknowledgment shall cease on the expiry of that 20 Business Day period

#### **11.5 Notice of Security: Specific Contracts**

(a) Each Chargor will

- (i) immediately upon the date of this Debenture or upon the date of any Security Accession Deed by which it became party to this Debenture (or, if later, promptly upon a Specified Contract being entered into by that Chargor), in relation to each Specified Contract, give notice to the relevant counterparty to such Specified Contract of the assignment constituted under this Debenture, the notice being in such form as may be specified by the Security Agent, acting reasonably and in accordance with the Agreed Security Principles, and
- (ii) use all reasonable endeavours to procure from the relevant counterparty an acknowledgement of receipt of such notice in such form as may be specified by the Security Agent, acting reasonably and in accordance with the Agreed Security Principles within 20 Business Days of the date of this Debenture or

any Security Accession Deed by which it became party to this Debenture. If the Chargor has used its reasonable endeavours but has not been able to obtain acknowledgement, its obligations to obtain acknowledgment shall cease on the expiry of that 20 Business Day period.

- (b) Each Chargor is deemed to have given and acknowledged such notice of assignment in respect of any Intra-Group Loans between Chargors.

#### **11.6 Third Party Consents**

- (a) If under the terms of a Lease any Chargor is not permitted to charge or assign its interest in such Material Real Property without the consent of the landlord
  - (i) it undertakes promptly to make an application for the landlord's consent to the creation of the assignment contained in Clause 3.3 (*Assignment by way of Security*), the fixed charge contained in Clause 3.4 (*Fixed Charges*) and any charge to be created under Clause 12 (*Further Assurance*), and shall use all reasonable endeavours to obtain such consent as soon as possible and shall keep the Security Agent informed of the progress of its negotiations with such landlord, insurer or other third party; and
  - (ii) subject to paragraph (b) below
    - (A) no breach of clause 26.1 (*Authorisations*) of the Facilities Agreement nor any other representation in the Finance Documents shall occur by virtue of such Chargor's failure to have obtained such landlord's, insurer's or other third party's consent, and
    - (B) if the landlord indicates in writing that it proposes to commence, or commences an action of forfeiture of any Lease, the Security Agent shall release from such fixed charge or assignment the relevant Chargor's interest in the Lease.
- (b) Sub-paragraph (ii) above shall only apply where the relevant Chargor has complied with its obligations under paragraph (a), but the landlord has not given the consent requested of it.
- (c) Upon receipt by the Security Agent of evidence in writing of the consent of the landlord, insurer or other third party to the creation and existence of the fixed charge or assignment over such Chargor's interest in such Lease, sub-paragraph (ii) shall cease to apply in respect of the relevant Charged Assets.

#### **11.7 Delivery of share certificates and registers**

Each Chargor shall

- (a) immediately upon the execution of this Debenture or upon the date of any Security Accession Deed by which it became a party to this Debenture, deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to

the Shares in any Obligor and stock transfer forms (executed in blank by it or on its behalf) together with a duly certified copy of the register for such Shares, and

- (b) promptly upon the acquisition, subscription, accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from any Shares in Obligors, notify the Security Agent of that occurrence and procure the delivery to the Security Agent of all certificates or other documents of title representing such items and such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Security Agent may request together with a duly certified copy of the register for such Shares

#### **11.8 Deposit of title deeds**

Each Chargor shall

- (a) as soon as is reasonably practicable upon request by the Security Agent (acting reasonably) following the execution of this Debenture (and upon the acquisition by it of any interest in any Charged Assets at any time) deposit with the Security Agent (or provide a solicitor's undertaking to hold in favour of the Security Agent) all deeds, certificates and other documents (if any) constituting or evidencing title to any Material Real Property and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf; and
- (b) deposit with the Security Agent (or provide a solicitor's undertaking to hold in favour of the Security Agent) at any time thereafter any further such deeds, certificates and other documents and all local land charges, land charges and Land Registry search certificates and similar documents, promptly upon coming into possession of any of those items.

#### **11.9 Application to the Land Registry**

Each Chargor hereby consents to an application in the following or substantially similar terms being made to the Land Registry to enter a restriction in the proprietorship register of any registered land at any time forming part of the Real Property

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] February 2015 in favour of Lloyds Bank plc (as security agent) referred to in the charges register or their conveyancer"*

#### **11.10 Further Loans**

- (a) Subject to the terms of the Facilities Agreement, each Lender is under an obligation to make further Loans to the Chargors, and that obligation will be deemed to be incorporated in this Debenture as if set out in this Debenture
- (b) Each Chargor consents to an application being made to the Land Registry to enter notice of the obligation to make further Loans on the Charges Register of any registered land forming part of the Charged Assets



## **12. FURTHER ASSURANCE**

### **12.1 Further assurance**

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (a) below
- (b) Each Chargor shall promptly, at its own cost and subject to the Agreed Security Principles, do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s)
  - (i) to perfect the Security created or intended to be created in respect of the Charged Assets (which may include the execution by such Chargor of a mortgage, charge, assignment or other Security Interest over all or any of the assets constituting, or intended to constitute, Charged Assets) or for the exercise of any the rights, powers and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this Debenture or by law,
  - (ii) to confer on the Security Agent or the Secured Parties security over any Property asset or undertaking of such Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture, and/or
  - (iii) after the Security has become enforceable, to facilitate the realisation of the Charged Assets

### **12.2 Necessary Action**

Subject to the Agreed Security Principles, each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary or as may reasonably be requested by the Security Agent for the purpose of the creation, perfection, protection or maintenance of any Security

## **13. WHEN SECURITY BECOMES ENFORCEABLE**

### **13.1 Timing**

This Security will become immediately enforceable any time after the occurrence of a Declared Default

### **13.2 Enforcement**

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as may be directed by the relevant Finance Parties in accordance with the Intercreditor Agreement.

## **14. ENFORCEMENT OF SECURITY**

### **14.1 General**

- (a) The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed to be due and payable for that purpose) on execution of this Debenture, but shall only be exercisable following the occurrence of a Declared Default
- (b) Any restriction imposed by law on the power of sale (including under section 103 of the Law of Property Act 1925) or the right of a mortgagee to consolidated mortgages (including under section 93 of the Law of Property Act 1925) does not apply to this Security
- (c) Any powers of leasing conferred on the Security Agent by law are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders or leases and grant options as the Security Agent may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Law of Property Act 1925)

### **14.2 No liability as mortgagee in possession**

None of the Security Agent, any Receiver nor a nominee of either of them will be liable, by reason of entering into possession of a Charged Asset

- (a) to account as mortgagee in possession,
- (b) for any loss on realisation, or
- (c) for any default or omission for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful default on its part

### **14.3 Privileges**

Each Receiver, the Security Agent or a nominee of a Receiver of the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by law (including the Law of Property Act 1925) on mortgagees and receivers duly appointed under any law (including the Law of Property Act 1925)

### **14.4 Protection of third parties**

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire

- (a) whether the Secured Obligations have become payable,

- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised, or
- (c) how any money paid to the Security Agent or to that Receiver is to be applied

#### **14.5 Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable, the Security Agent may
  - (i) redeem any prior Security Interest against any Charged Asset,
  - (ii) procure the transfer of that Security Interest to itself or its nominee, and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer, any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor
- (b) Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest

#### **14.6 Right of appropriation**

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 apply to a Charged Asset, the Security Agent shall have the right (following the occurrence of a Declared Default) to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations. For this purpose, a commercially reasonable method of valuing a Charged Asset shall be

- (a) in the case of cash on account in an Account, the amount standing to the credit of that Account, together with any accrued interest, at the time of appropriation, and
- (b) in the case of any Investments, their market value determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select

#### **14.7 Effect of Moratorium**

The Security Agent shall not be entitled to exercise its rights under Clause 13.2 (*Enforcement*) or Clause 4.2 (*Conversion of floating charge to fixed charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986

## **15. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **15.1 Appointment and removal**

After this Security has become enforceable or if requested by a Chargor, the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without prior notice

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets,
- (b) appoint two or more Receivers of separate parts of the Charged Assets,
- (c) remove (so far as it is lawfully able) any Receiver so appointed,
- (d) appoint another person(s) as an additional or replacement Receiver(s), or
- (e) appoint one or more persons to be an administrator of the Chargor(s)

### **15.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 15.1 (*Appointment and removal*) shall be

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver,
- (b) for all purposes deemed to be the agent of the Chargor(s) which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent, and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

### **15.3 Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Assets

## **16. POWERS OF RECEIVERS**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the relevant Chargor) have and be entitled to exercise, in relation to the Charged Assets, and as varied and extended by the provisions of

this Debenture (in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of the relevant Chargor)

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do, and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the relevant Chargor) which seem to the Receiver to be incidental or conducive to
  - (i) any of the functions, powers, authorities or discretions conferred on or vested in him,
  - (ii) the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed), or
  - (iii) bringing to his hands any assets of the relevant Chargor forming part of, or which when got in would be, Charged Assets

## **17. APPLICATION OF MONIES**

All moneys received or recovered by the Security Agent or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied in accordance with the Intercreditor Agreement

## **18. PROTECTION OF PURCHASERS**

### **18.1 Consideration**

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or making any acquisition, the Security Agent or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

### **18.2 Protection of purchasers**

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or validity on the part of the Security Agent or such Receiver in such dealings.

## **19 POWER OF ATTORNEY**

### **19.1 Appointment and powers**

Each Chargor by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things which the attorney may consider to be required or desirable for

- (a) carrying out any obligation imposed on such Chargor by this Debenture or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting the security created or intended to be created in respect of the Charged Assets), and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after this Debenture has become enforceable in accordance with Clause 13 (*When security becomes enforceable*), the exercise of any right of a legal or beneficial owner of the Charged Assets)

### **19.2 Exercise of power of attorney**

The Security Agent may only exercise the power of attorney granted pursuant to Clause 19.1 (*Appointment and powers*) following

- (a) the occurrence of a Declared Default, or
- (b) the failure by the Parent to comply with any further assurance or perfection of security obligations required by the terms of this Debenture or any mortgage within ten Business Days of being notified of that failure by the Security Agent (with a copy of such notice being sent to the Parent) and being requested to comply

### **19.3 Ratification**

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers, except to the extent caused by such attorney's fraud, gross negligence or wilful misconduct

## **20. EFFECTIVENESS OF SECURITY**

### **20.1 Continuing security**

- (a) The Security shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent
- (b) No part of the Security will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

## **20.2 Cumulative rights**

The Security shall be cumulative, in addition to and independent of every other Security Interest which the Security Agent or any Finance Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security Interest held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Finance Parties over the whole or any part of the Charged Assets shall merge into the Security.

## **20.3 No prejudice**

The Security shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Finance Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security or by any other thing which might otherwise prejudice that Security.

## **20.4 Remedies and waivers**

No failure on the part of the Security Agent to exercise, or any delay on its part in exercising, any rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture, shall operate as a waiver of those rights, powers and remedies, nor shall any single or partial exercise of any such rights, powers and remedies preclude any further or other exercise of that or any other rights, powers and remedies.

## **20.5 Partial invalidity**

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security intended to be created by or pursuant to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security.

## **20.6 Waiver of defences**

The obligations of, and the Security created by, each Chargor under this Debenture will not be affected by any act, omission, matter or thing which, but for this Clause 20.6, would reduce, release or prejudice any of its obligations under, or the Security created by this Debenture and whether or not known to such Chargor or any Finance Party including without limitation:

- (a) any time, waiver or consent granted to, or composition with any Obligor or other person,
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any Obligor,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentment or non-observance of any

formality or other requirement in respect of any instruments or any failure to realise the full value of any Security,

- (d) any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person,
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Obligations,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations, and
- (g) any insolvency or similar proceedings

#### **20.7 Immediate recourse**

Each Chargor waives any right it may have of first requiring a Finance Party (or any trustee or Security Agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from such Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

#### **20.8 Deferral of rights**

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture.

- (a) to be indemnified by an Obligor,
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Debenture, and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Finance Parties under this Debenture or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture by any Finance Party.

#### **20.9 Release of Chargors' right of contribution**

If any Chargor ceases to be a Chargor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Chargor:

- (a) that Chargor will be released by each other Chargor from any liability whatsoever to make a contribution to any other Guarantor arising by reason of the performance by any other Chargor of its obligations under the Finance Documents; and



- (b) each other Chargor will waive any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of any Finance Party or of any other security taken under, or in connection with, any Finance Document where the rights or security are granted by or in relation to the assets of the retiring Chargor

## **20.10 Collateral Security**

Where any Security initially takes effect as a collateral or further Security to another Security intended to be constituted under this Debenture or which otherwise secures all or any part of the Secured Obligations to which a Chargor is a party then, despite any receipt, release or discharge endorsed on or given in respect of or under the second mentioned Security, the first mentioned Security will operate as an independent Security

## **21. PRIOR SECURITY INTERESTS**

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Assets or in case of exercise by the Security Agent or any Receiver of any power of sale under this Debenture, the Security Agent may redeem such prior Security Interest or procure the transfer thereof to itself
- (b) The Security Agent may settle and agree the accounts of the prior Security Interest and any accounts so settled and passed will be conclusive and binding on the Chargors
- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargors to the Security Agent on demand together with accrued interest thereon as well as before judgement at the rate from time to time applicable to unpaid sums specified in the Facilities Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgement)

## **22. SUBSEQUENT SECURITY INTERESTS**

If the Security Agent or any of the other Finance Parties at any time receives or is deemed to have received notice of any subsequent Security Interest, assignment or transfer affecting the Charged Assets or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of any Chargor to the Security Agent will (in the absence of any express contrary appropriation by the Chargor) be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received

## **23. SUSPENSE ACCOUNTS**

All monies received, recovered or realised by the Security Agent under this Debenture (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with a financial institution (including itself) for so long as it may think fit (the interest being credited

to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations.

**24. NOTICES**

Any communication under this Debenture or any other Finance Document created by or under this Debenture shall be made and given in accordance with the terms of clause 36 (*Notices*) of the Facilities Agreement

**25. COUNTERPARTS**

This Debenture may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument

**26. GOVERNING LAW**

This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law

**THIS DEBENTURE** has been executed as, and is intended to take effect as, a deed by the Chargors and has been signed by the Security Agent on the date written on the first page of this Debenture

## SCHEDULE 1

### The Chargors

Name	Jurisdiction	Registered No.
Interfloor Group Limited	England	05516829
Interfloor Operations Limited	England	05518878
Interfloor Industries Limited	England	04417189
Interfloor Holdings Limited	England	04425809
Duralay International Holdings Limited	England	03189091
Interfloor Limited	England	00162988
Stikatak Limited	England	01763122

## **SCHEDULE 2**

### **Real Property**

- 1 The land and buildings on the north east side of Knowsley Road, Haslingden, Rossendale, Lancashire, BB4 4LS United Kingdom registered at the Land Registry with freehold title absolute under title number LA913212
- 2 The land and buildings on the north east side of Knowsley Road, Haslingden, Rossendale, Lancashire, BB4 4LS United Kingdom registered at the Land Registry with good leasehold title under with registered title number LA915709

### SCHEDULE 3

#### Shares

Chargor	Name of company in which shares are held	Class of shares held	Nominal value of each share	Number of shares held
Interfloor Group Limited	Interfloor Operations Limited	Ordinary	£1 00	1,180,000
Interfloor Operations Limited	Interfloor Industries Limited	Ordinary A	£1 00	850,000
Interfloor Operations Limited	Interfloor Industries Limited	Ordinary B	£1 00	133,500
Interfloor Industries Limited	Interfloor Holdings Limited	Ordinary	£1 00	22,500,001
Interfloor Holdings Limited	Duralay International Holdings Limited	Ordinary	£0 10	261,300
Interfloor Holdings Limited	Duralay International Holdings Limited	Ordinary-A	£0 10	775,000
Duralay International Holdings Limited	Interfloor Limited	Deferred	£0 25	6,000,300
Duralay International Holdings Limited	Interfloor Limited	Ordinary	US\$1 00	1
Duralay International Holdings Limited	Interfloor Trustees Limited	Ordinary	£1 00	2
Duralay International Holdings Limited	Interfloor Investments Limited	Ordinary	£1 00	1
Interfloor Limited	Stikatak Limited	Ordinary	£1 00	6,000

## SCHEDULE 4

### Intellectual Property

#### Trademarks

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	AHHHHH FACTOR	United Kingdom	2534234 2534234	15/12/2009 28/05/2010	27	Registered	15/12/201 9
Interfloor Limited	Air Tred AIRTRED (Series of 2)	United Kingdom	2457283  2457283	02/06/2007  09/11/2007	27	Registered	02/06/201 7
Interfloor Limited	AIRSTEP	United Kingdom	1183118 1183118	08/10/1982 08/10/1982	27	Registered	08/10/202 3
Interfloor Limited	ALPHA 8	United Kingdom	2541707 2541707	12/03/2010 16/07/2010	27	Registered	12/03/202 0
Interfloor Limited	BAROLO	United Kingdom	3036031 3036031	23/12/2013 04/04/2014	19	Registered	23/12/202 3
Interfloor Limited	BELVEDERE	United Kingdom	3036019 3036019	23/12/2013 11/04/2014	19	Registered	23/12/202 3
Interfloor Limited	BOINGABILIT Y	United Kingdom	2534236 2534236	14/12/2009 19/03/2010	27	Registered	14/12/201 9
Interfloor Limited	CAVERSHAM	United Kingdom	3031314 3031314	19/11/2013 28/02/2014	19	Registered	19/11/202 3
Interfloor Limited	CEMRIP	United Kingdom	1355510 1355510	22/08/1988 09/11/1990	01, 16	Registered	22/08/201 5
Interfloor Limited	CHAMBORD	United Kingdom	3036028 3036028	23/12/2013 04/04/2014	19	Registered	23/12/201 3
Interfloor Limited	CLARENDON	United Kingdom	3031304 3031304	19/11/2013 28/02/2014	19	Registered	19/11/201 3
Interfloor Limited	COMFORT CUSHION	United Kingdom	2547472  2547472	12/05/2010  27/08/2010	27	Registered	12/05/202 0
Interfloor Limited	CONTRACT 7	United Kingdom	2571542 2571542	08/02/2011 06/05/2011	27	Registered	08/02/202 1
Interfloor Limited	CONTRACT 9	United Kingdom	2571544 2571544	08/02/2011 06/05/2011	27	Registered	08/02/202 1
Interfloor Limited	CORSINI	United Kingdom	3036024 3036024	23/12/2013 04/04/2014	19	Registered	23/12/201 3

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	dBan	United Kingdom	2331398 2331398	08/05/2003 10/10/2003	19, 27, 37	Registered	08/05/202 3
Interfloor Limited	dBan & Device	United Kingdom	2331399 2331399	08/05/2003 03/10/2003	19, 27, 37	Registered	08/05/202 3
Interfloor Limited	DEFENDER	United Kingdom	1313395 1313395	18/06/1987 27/07/1990	27	Registered	18/06/201 8
Interfloor Limited	DREAMWALK	United Kingdom	2236260 2236260	16/06/2000 01/12/2000	27	Registered	18/06/202 0
Interfloor Limited	DURAFIT	Community	5575501 5575501	21/12/2006 16/12/1966	08, 19, 27	Registered	21/12/201 6
Interfloor Limited	DURAFIT	United Kingdom	1295714 1295714	16/12/1966 16/12/1966	27	Registered	16/12/201 7
Interfloor Limited	DURALAY	United Kingdom	710346 710346	05/09/1952 05/09/1952	27	Registered	05/09/201 1
Interfloor Limited	DURALAY	Community	309083 309083	12/03/2003	06, 19, 27	Registered	12/03/200 3
Interfloor Limited	DURALAY COUNTERFLA ME	United Kingdom	2531415 2531415	11/11/2009 11/02/2010	27	Registered	11/11/201 9
Interfloor Limited	DURALAY HEATFLOW & Device	Community	4620282 4620282	05/09/2015 18/09/2008	19, 27	Registered	05/09/201 5
Interfloor Limited	DURALAY HEATFLOW & Device	United Kingdom	2400734  2400734	02/09/2015  10/02/2006	19, 27	Registered	02/09/201 5
Interfloor Limited	DURALAY HIGH TEC	United Kingdom	2286399 2286399	23/11/2001 26/04/2002	27	Registered	23/11/202 1
Interfloor Limited	DURALAY KENSINGTON DELUXE	United Kingdom	2527529  2527529	01/10/2009  08/01/2010	27	Registered	01/10/201 9
Interfloor Limited	DURALAY LIFESTYLE	United Kingdom	1569540 1569540	22/04/1995 07/04/1995	27	Registered	22/04/202 1
Interfloor Limited	DURALAY SYSTEM TEN	United Kingdom	2018766  2018766	27/04/1995  16/02/1996	27	Registered	27/04/201 5
Interfloor Limited	DURALAY THINK CARPET, THINK UNDERLAY	United Kingdom	2480081  2480081	16/02/2006  11/07/2008	27	Registered	18/02/201 8

Proprietor / Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	DURATREAD	United Kingdom	739029 739029	08/02/1955 08/02/1955	27	Registered	08/02/2024
Interfloor Limited	ECO-TREAD	United Kingdom	2492241 2492241	09/07/2008 28/11/2008	27	Registered	09/07/2018
Interfloor Limited	ESCORT by DURALAY	United Kingdom	1226360 1226360	13/09/1984 13/09/1984	27	Registered	13/09/2015
Interfloor Limited	FEATHERSTEP	United Kingdom	2551659 2551659	30/08/2010 24/09/2010	27	Registered	30/06/2020
Interfloor Limited	FLOOR MASTER FLOORMASTER (series of 2)	United Kingdom	2267501 2267501	05/12/2001 16/08/2002	19	Registered	05/12/2021
Interfloor Limited	FLOORMASTER	United Kingdom	1491428 1491428	18/02/1992 16/06/1995	27	Registered	18/02/2019
Interfloor Limited	FLOORMASTER	United Kingdom	2322214 2322214	30/01/2003 18/02/2005	01, 08, 08, 17, 19, 20, 27, 37	Registered	30/01/2023
Interfloor Limited	G GRIPPERRODS & Device	United Kingdom	1355815 1355815	24/08/1988 10/04/1992	01, 06, 08, 16, 17, 20	Registered	24/08/2015
Interfloor Limited	GOLDEN GRIPPER	United Kingdom	959268 959268	06/05/1970 06/05/1970	20	Registered	06/02/2015
Interfloor Limited	GRIPPERODS	United Kingdom	959267 959267	06/05/1970 06/05/1970	20	Registered	06/05/2015
Interfloor Limited	GRIPPERODS	United Kingdom	999258 999258	02/10/1972 02/10/1972	06	Registered	02/10/2017
Interfloor Limited	GRIPPERODS	United Kingdom	1348478 1348478	20/06/1988 19/01/1990	17	Registered	20/06/2015
Interfloor Limited	GRIPPERRODS COPPERTRIM	United Kingdom	1265905 1265905	29/04/1986 29/04/1986	06	Registered	29/04/2017
Interfloor Limited	GRIPPERRODS G & Device	Community	4581328 4581328	08/08/2005 09/02/2007	06, 08, 19, 20	Registered	08/08/2015
Interfloor Limited	GRIPPERRODS G & Device	Community	8310071	19/05/2009	01, 16, 17	Registered	19/05/2019



Proprietor Applicant	Trade Mark	Country	Application n/No. Registration n/No.	Application Date Registration Date	Local Classes	Status	Renewal Date
			8310071	20/01/2010			
Interfloor Limited	GRIPPERROD S NEAT-TRIM	United Kingdom	1265907 1265907	29/04/1986 03/03/1989	06	Registered	29/04/201 7
Interfloor Limited	GRIPPTONITE	United Kingdom	1517834 1517834	03/11/1992 03/12/1993	20	Registered	03/11/201 9
Interfloor Limited	HERITAGE	United Kingdom	3031290 3031290	19/11/2013 28/02/2014	19	Registered	19/11/202 3
Interfloor Limited	IMPREZZO	United Kingdom	2554497 2554497	29/07/2010 19/11/2010	19, 27	Registered	29/07/202 0
Interfloor Limited	IMPREZZO	Community	9927872 9927872	28/04/2011 05/10/2011	19, 27	Registered	28/04/202 1
Interfloor Limited	IMPREZZO - THE V LOCK SYSTEM	Community	9927815 9927815	28/04/2011 05/10/2011	19, 27	Registered	28/04/202 1
Interfloor Limited	IMPREZZO - THE V LOCK SYSTEM THE V LOCK SYSTEM (series of 2)	United Kingdom	2554715 2554715	02/08/2010 05/11/2010	19, 27	Registered	02/08/202 0
Interfloor Limited	INTERFLOOR	Community	2749505 2749505	21/06/2002 29/07/2004	01, 06, 08, 19, 20, 25, 27	Registered	21/08/202 2
Interfloor Limited	INTERFLOOR	United Kingdom	2303462 2303462	22/06/2002 03/01/2003	01, 06, 08, 19, 20, 25, 27	Registered	22/06/202 2
Interfloor Limited	INTERFLOOR CREATING BETTER FLOORS	United Kingdom	2629259 2629259	23/07/2012 26/10/2004	01, 06, 08, 17, 19, 20, 27, 37	Registered	23/07/202 2
Interfloor Limited	INTERFLOOR Device	United Kingdom	2322215 2322215	30/01/2003 29/10/2004	01, 06, 08, 17, 19, 20, 27, 37	Registered	30/01/201 3
Interfloor Limited	INTERFLOOR Device	Community	3036944 3036944	03/02/2003 02/03/2005	01, 06, 08, 17, 19, 20, 27, 37	Registered	03/02/202 3
Interfloor Limited	INTERFLOOR EXPRESS	United Kingdom	2578714	15/04/2021	39	Registered	15/04/202 1

Proprietor Applicant	Trade Mark	Country	Application n No. Registration n No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	INTERFLOOR LOVE YOUR FLOOR	United Kingdom	2578714 2638704 2638704	22/07/2011 18/10/2012 22/02/2013	01, 06, 08, 17, 19, 20, 27, 37	Registered	18/10/202 2
Interfloor Limited	INTERFLOOR THINK CARPET, THINK UNDERLAY	United Kingdom	2430080 2430080	18/02/2008 11/07/2008	27	Registered	18/02/201 8
Interfloor Limited	INVISISEAME R	United Kingdom	1414661 1414661	12/02/1990 07/12/1990	08	Registered	12/02/201 7
Interfloor Limited	KINGDOM	United Kingdom	2541380 2541380	10/03/2010 30/07/2010	27	Registered	10/03/202 0
Interfloor Limited	MAJESTIC	United Kingdom	3031296 3031296	19/11/2013 28/02/2014	19	Registered	19/11/202 3
Interfloor Limited	MILLION- AIRE	United Kingdom	806969 806969	10/06/1960 10/06/1960	27	Registered	10/06/201 5
Interfloor Limited	OMEGA 10	United Kingdom	2541701 2541701	12/03/2010 23/07/2010	27	Registered	12/03/202 0
Interfloor Limited	REALM	United Kingdom	2501514 2501514	03/11/2008 20/02/2009	27	Registered	03/11/201 8
Interfloor Limited	RED PROTECTOR	United Kingdom	2549531 2549531	04/06/2020 08/10/2010	27	Registered	04/06/202 0
Interfloor Limited	RENDADECK	United Kingdom	965570 965570	28/09/1970 28/09/1970	17	Registered	28/09/201 5
Interfloor Limited	RENDA-FLOR	United Kingdom	1225771 1225771	04/09/1984 04/09/1984	01, 06, 07, 08, 17, 20	Registered	04/09/201 5
Interfloor Limited	RENDA-FLOR	United Kingdom	1227510 1227510	02/10/1984 02/10/1984	27	Registered	02/10/201 5
Interfloor Limited	RENDA- FLORSCREED COAT	United Kingdom	963410 963410	05/08/1970 05/08/1970	19	Registered	05/8/2015
Interfloor Limited	ROSADA	United Kingdom	3036029 3036029	23/12/2013 04/04/2014	19	Registered	23/12/202 3
Interfloor Limited	SENSATION	United Kingdom	2574025 2574025	03/03/2011 03/06/2011	27	Registered	03/03/202 1
Interfloor Limited	SEVENTH HEAVEN	United Kingdom	2489702 2489702	11/06/2008 31/10/2008	27	Registered	11/06/201 8

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	SILENTSTEP	United Kingdom	2613229 2613229	07/03/2012 08/06/2012	19	Registered	07/03/202 2
Interfloor Limited	SILENTSTEP Silent (Series of 2)	United Kingdom	2513455 2513455	08/04/2009 17/07/2009	27	Registered	08/04/201 9
Interfloor Limited	SILENTWALK	United Kingdom	3030157 3030157	11/11/2013 21/02/2014	19	Registered	11/11/202 3
Interfloor Limited	SILVASEAM	United Kingdom	1095549 1095549	12/05/1978 12/05/1978	09, 17	Registered	12/05/201 9
Interfloor Limited	SOFTRED	United Kingdom	2498235 2498235	22/09/2008 13/03/2009	27	Registered	22/09/201 8
Interfloor Limited	SOFTWALK	United Kingdom	2236259 2236259	16/06/2000 19/01/2001	27	Registered	16/06/202 0
Interfloor Limited	SOLO	United Kingdom	2521769 2521769	21/07/2009 01/01/2010	27	Registered	21/07/201 9
Interfloor Limited	SOVEREIGN	United Kingdom	3031293 3031293	19/11/2013 28/02/2014	19	Registered	19/11/202 3
Interfloor Limited	SOVEREIGN	United Kingdom	2541112 2541112	08/03/2010 23/07/2010	27	Registered	08/03/202 0
Interfloor Limited	SOVEREIGN BY DURALAY	United Kingdom	1226381	13/09/1984 13/09/1994	27	Registered	13/09/201 5
Interfloor Limited	STIKATAK	Community	196246 196246	01/04/1998 13/08/1999	06, 20	Registered	01/04/201 6
Interfloor Limited	STIKATAK	United Kingdom	1418656 1418656	08/02/1990 10/01/1992	01, 06, 16, 20	Registered	08/02/201 7
Interfloor Limited	STIKATAK	United Kingdom	2308726 2308726	23/08/2002 31/01/2003	08	Registered	23/08/202 2
Interfloor Limited	STIKATAK & Device	United Kingdom	2504300 2504300	09/12/2008 12/06/2009	01, 06, 08, 18, 20	Registered	09/12/201 8
Interfloor Limited	STIKATAK CLIP SYSTEM & Device	United Kingdom	2327127 2327127	20/03/2003 19/09/2003	06	Registered	20/03/202 3
Interfloor Limited	STIKATAK floor pro & Device (Series of 2)	United Kingdom	2558280 2558280	10/09/2010 17/12/2010	08	Registered	10/09/202 0
Interfloor Limited	SUPERGRAB	United Kingdom	1348475 1348475	20/06/1990 18/05/1990	17	Registered	20/06/201 5
Interfloor Limited	SYNBRASS Aluminium Carpet And	United Kingdom	1265908	29/04/1966	06	Registered	29/04/201 7

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
	Interfloor Limited Vinyl Edgings with Special Hand Wearing Anodised Finish Simulating a Brass Effect		1265908	26/06/1992			
Interfloor Limited	TACKFAST	United Kingdom	2114188 2114188	29/10/1996 04/07/1997	27, 37	Registered	29/10/201 6
Interfloor Limited	TACKFAST	United Kingdom	1490694 1490694	13/02/1992 15/08/1997	20	Registered	13/02/200 9
Interfloor Limited	TECHNICS	Community	7465461 7465461	15/12/2008 29/07/2009	01, 27, 37	Registered	15/12/201 8
Interfloor Limited	TECHNICS (series of 3)	United Kingdom	2153096 2153096	10/12/1997 26/06/1998	27	Registered	10/12/201 7
Interfloor Limited	THE CAMPAIGN FOR REAL UNDERLAY	United Kingdom	2534214 2534214	14/12/2009 06/08/2010	27	Registered	14/12/201 9
Interfloor Limited	THERMYLN	United Kingdom	2404441 2404441	20/10/2005 14/04/2006	19, 27	Registered	20/10/201 5
Interfloor Limited	TIMBERMATE	Community	4405478 4405478	25/04/2005 18/05/2006	19, 27	Registered	25/04/201 5
Interfloor Limited	TIMBERMATE	United Kingdom	2390470	26/04/2005 02/06/2008	19, 27	Registered	26/04/201 5
Interfloor Limited	TREADMORE	Community	1874809 1874809	27/09/2000 05/04/2002	27	Registered	27/09/202 0
Interfloor Limited	TREADMORE	United Kingdom	2237907 2237907	30/06/2000 15/12/2000	27	Registered	30/06/202 0
Interfloor Limited	TREDAIRE	Community	1284389	20/08/1999 18/01/2001	20, 27 37	Registered	2006/201 9
Interfloor Limited	TREDAIRE	United Kingdom	1381238	18/04/1989 03/07/1992	27	Registered	18/04/201 6
Interfloor Limited	TREDAIRE	United Kingdom	775019	05/03/1958 05/03/1958	27	Registered	05/03/201 7
Interfloor Limited	TREDAIRE AMBIENCE	United Kingdom	3057227 3057227	27/05/2014 05/09/2014	27	Registered	27/05/202 4
Interfloor Limited	TREDAIRE BOARDWALK	United Kingdom	2546001 2546001	27/04/2010 20/06/2010	27	Registered	27/04/202 0
Interfloor	TREDAIRE	United	2462148	23/07/2007	27	Registered	23/07/201

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Limited	BRIO	Kingdom		28/12/2007			7
Interfloor Limited	TREDAIRE COLOURS GREEN	United Kingdom	2531417 2531417	11/11/2009 19/02/2010	27	Registered	11/11/201 9
Interfloor Limited	TREDAIRE COLOURS RED	United Kingdom	2531416 2531416	11/11/2009 19/02/2010	27	Registered	11/11/201 9
Interfloor Limited	TREDAIRE CONTRACT	United Kingdom	1361323 1361323	20/10/1988 27/03/1990	27	Registered	20/10/201 5
Interfloor Limited	TREDAIRE COSYWALK	United Kingdom	2489703	11/06/2008 31/10/2008	27	Registered	11/06/201 8
Interfloor Limited	TREDAIRE DYNAMICS	United Kingdom	2479772	14/02/2008 04/07/2008	27	Registered	14/02/201 6
Interfloor Limited	TREDAIRE ELITE	United Kingdom	2462146	23/07/2007 28/12/2007	27	Registered	23/07/201 7
Interfloor Limited	TREDAIRE ENERGY	United Kingdom	2479769	14/02/2008 15/08/2008	27	Registered	14/02/201 8
Interfloor Limited	TREDAIRE FR FLAMECHEC K	Community	10148047 10148047	25/07/2011 18/01/2012	19, 20, 27	Registered	25/07/202 1
Interfloor Limited	TREDAIRE FR Flame Retardant Underlay & Device	Community	10257646 10257848	12/09/2011 23/01/2012	19, 20, 27	Registered	12/09/202 1
Interfloor Limited	TREDAIRE FR7	Community	10148138 10148138	25/07/2011 06/01/2012	19, 20, 27	Registered	25/07/202 1
Interfloor Limited	TREDAIRE FR9	Community	10148195 10148195	25/07/2011 06/01/2012	19, 20, 27	Registered	25/07/202 1
Interfloor Limited	TREDAIRE GRANDURO	United Kingdom	3020739 3020739	04/09/2013 29/11/2013	27	Registered	04/09/202 3
Interfloor Limited	TREDAIRE NUVELLA	United Kingdom	3020742 3020742	04/09/2013 29/11/2013	27	Registered	04/09/202 3

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	TREDAIRE POWER	United Kingdom	2479771	14/02/2008 04/07/2008	27	Registered	14/02/201 8
Interfloor Limited	TREDAIRE PRESTIGE	United Kingdom	2490257	17/06/2008 07/11/2008	27	Registered	17/06/201 8
Interfloor Limited	TREDAIR REVIVE	United Kingdom	3057164 3057164	27/05/2014 05/09/2014	27	Registered	27/05/202 4
Interfloor Limited	TREDAIRE SEVENTH HEAVEN CONTRACT 9	United Kingdom	2541379 2541379	10/03/2010 18/08/2010	27	Registered	10/03/202 0
Interfloor Limited	TREDAIRE SIGNATURE	United Kingdom	2479773	14/02/2008 15/08/2008	27	Registered	14/02/201 6
Interfloor Limited	TREDAIRE STERLING	United Kingdom	2462143	23/07/2007 28/12/2007	27	Registered	23/07/201 7
Interfloor Limited	TREDAIRE SUPERIOR	United Kingdom	2462142	23/07/2007 28/12/2007	27	Registered	23/07/201 7
Interfloor Limited	TREDAIRE SUPREME	United Kingdom	2479767	14/02/2008 04/07/2008	27	Registered	14/02/201 8
Interfloor Limited	TREDAIRE TERRA FIRMA	United Kingdom	2531418 2531418	11/11/2009 19/02/2010	27	Registered	11/11/201 9
Interfloor Limited	TREDAIRE THINK CARPET, THINK UNDERLAY	United Kingdom	2480079	18/02/2008 11/07/2008	27	Registered	18/02/201 6
Interfloor Limited	TREDAIRE TITAN	United Kingdom	3042582 3042582	14/02/2014	27	Registered	14/02/202 4
Interfloor Limited	TREDAIRE TITANIUM	United Kingdom	3043596 3043596	21/02/2014	27	Registered	21/02/202 4
Interfloor Limited	TREDAIRE ULTIMATE	United Kingdom	2548222 2548222	25/05/2010 27/06/2010	27	Registered	25/05/202 0

Proprietor Applicant	Trade Mark	Country	Application No. Registration No.	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	TREDAIRE VERDANIO	United Kingdom	3020734 3020734	04/09/2013 29/11/2013	27	Registered	04/09/202 3
Interfloor Limited	TREDAIRE WILLOW GREEN	United Kingdom	2058738	21/02/1996 11/10/2006	27	Registered	21/02/201 6
Interfloor Limited	TREDAIRE ZEST	United Kingdom	2470875	29/10/2007 28/03/2008	27	Registered	29/10/201 7
Interfloor Limited	UNILAY	United Kingdom	2521542 2521542	20/07/2009 31/10/2009	27	Registered	20/07/201 9
Interfloor Limited	VECCHIO	United Kingdom	3036022 3036022	23/12/2013 04/04/2014	19	Registered	23/12/202 3
Interfloor Limited	WARRIOR	United Kingdom	1336405	23/02/1988 08/03/1991	27	Registered	23/02/202 5
Interfloor Limited	WILLOW GREEN	Community	5575345 5575345	21/12/2006 24/04/2008	08, 19, 27	Registered	21/12/201 6
Interfloor Limited	WOODTEX	United Kingdom	2633622 2633622	05/09/2012 21/12/2012	19, 27	Registered	05/09/202 2
Interfloor Limited	ZIG ZAG	United Kingdom	2061025 2061025	12/03/1996 29/11/1996	06	Registered	12/03/201 6

### Registered Designs

Proprietor/ Applicant	Trade Mark Country Designated Countries (if applicable)	Country	Application No Registration No	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	Carpet fitting tool	United Kingdom	2102182 2102182	31/05/2001 31/05/2001		Registered	31/05/2016



## Patents

Proprietor/Applicant	Trade Mark	Country	Application No Registration No	Application Date Registration Date	Local Classes	Status	Renewal Date
Interfloor Limited	Carpet stretching device	United Kingdom	0121582 1 2364241	06/09/2001		Granted	30/09/2015
Interfloor Limited	Floor edge trim element	United Kingdom	711412 7 2450124	13/06/2007 27/05/2008		Granted	30/06/2015

### Domain names

Proprietor	Domain Name
Interfloor Limited	Interfloorgroup.co.uk
Interfloor Limited	Interfloorgroup.com
Duralay Limited	Interfloor.co.uk
Interfloor Limited	Interfloor.com
Duralay Limited	Duralay.co.uk
Interfloor Limited	Whyunderlay.co.uk
Interfloor Limited	Whyunderlay.com

## SCHEDULE 5

### Part 1 Notice of Charge of Lease

To [Headlease Holder]

Date [•]

Dear Sirs,

We give you notice that, by a debenture dated [•] February 2015 (the "Debenture"), we charged to Lloyds Bank plc (the "Security Agent") (as trustee for the Secured Parties) all our right, interests and benefits in, to and under [the *describe Lease*] dated [•] between [•] and [•] relating to [•] (including all monies payable thereunder and the proceeds of all claims and judgments for breach of covenant) (the "Lease") ]

We will remain liable to perform all our obligations under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Lease

Please note that

- 1 all remedies provided for under the Lease or available at law or in equity are exercisable by the Security Agent,
- 2 all rights to compel performance of the Lease are exercisable by the Security Agent, and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Lease belong to the Security Agent

This letter is governed by and will be construed in accordance with the laws of England

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Agent (at Citymark, 150 Fountainbridge, Edinburgh EH3 9PE) with a copy to us

Yours faithfully

[•]

**Part 2**  
**Acknowledgement of Charge of Lease**

To               Lloyds Bank plc  
                    as Security Agent

Date            [•]

Dear Sirs

We confirm receipt from [•] (the "Chargor") of a notice dated [•] of a charge by way of [fixed charge] upon the terms of a debenture dated [•] (the "Debenture") to [•] (the "Security Agent") (as trustee for the Secured Parties) of all the Chargor's right, interest and benefit in, to and under the Lease (as specified in that notice) to which we are a party

We confirm that we have not received notice of

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice, or
- (b) the interest of any third party in any of the rights, interests and benefits specified in such notice

We further confirm that

- 1 following our receipt of a notice from the Security Agent notifying us that an "Event of Default" is continuing, no amendment, waiver or release of any such rights, interests and benefits will be effective without the prior written consent of the Security Agent,
- 2 following our receipt of a notice from the Security Agent notifying us that an "Event of Default" is continuing, no termination of such rights, interests or benefits will be effective unless we have given the Security Agent 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination,
- 3 the Chargor will remain liable to perform all its obligations under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Lease, and
- 4 no breach or default on the part of the Chargor of any of the terms of such Lease will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt

This letter is governed by and will be construed in accordance with the laws of England

Yours faithfully

## SCHEDULE 6

### Part 1 Notice of Assignment of Insurance Policy

To [Insurer]

Date [●]

Dear Sirs,

We give you notice that, by a debenture dated [●] February 2015 (the "**Debenture**"), we charged by way of assignment to Lloyds Bank plc (the "**Security Agent**") (as trustee for the Secured Parties) all our right, interests and benefits in, to and under the [*describe Insurance Policy*] with policy number [*insert policy number*] effected by us or whomsoever (including all monies payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy of insurance (the "**Policy**") ]

We will remain liable to perform all our obligations under the Policy and the Security Agent is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy

Immediately upon the Security Agent notifying you that the security constituted by the Debenture is enforceable (a "**Declared Default Notice**"), all amounts payable by you in relation to the Policy shall be payable directly to the Security Agent

Please note that following your receipt of a Declared Default Notice

- 1 all remedies provided for under the Policy or available at law or in equity are exercisable by the Security Agent,
- 2 all rights to compel performance of the Policy are exercisable by the Security Agent, and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising under the Policy belong to the Security Agent

This letter is governed by and will be construed in accordance with the laws of England

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Agent (at Citymark, 150 Fountainbridge, Edinburgh EH3 9PE) with a copy to us

Yours faithfully

[●]

**Part 2**  
**Acknowledgement of Assignment of Insurance Policy**

To               Lloyds Bank plc  
                    as Security Agent

Date            [●]

Dear Sirs

We confirm receipt from [●] (the "Chargor") of a notice dated [●] of a charge by way of assignment upon the terms of a debenture dated [●] February 2015 (the "Debenture") to Lloyds Bank plc (the "Security Agent") (as trustee for the Secured Parties) of all the Chargor's right, interest and benefit in, to and under the Policy (as specified in that notice) to which we are a party

We confirm that we have not received notice of

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice, or
- (b) the interest of any third party in any of the rights, interests and benefits specified in such notice

We further confirm that

- 1 we have noted the interests of the Security Agent on the Policy,
- 2 we will notify the Security Agent of any claim paid out by us under the Policy,
- 3 we will, upon being notified that the security constituted by the Debenture has become enforceable, make all payments under the Policy directly to the Security Agent,
- 4 the Chargor will remain liable to perform all its obligations under the Policy and the Security Agent is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Policy; and
- 5 no breach or default on the part of the Chargor of any of the terms of such Policy will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt

This letter is governed by and will be construed in accordance with the laws of England

Yours faithfully

[Insurer]

## **SCHEDULE 7**

### **Part 1 Notice of Security over Accounts**

To [Bank/Building Society/Financial Institution/Other]

Date [•]

Dear Sirs

We give you notice that, by a debenture dated [•] February 2015 (the "Debenture"), we have charged to Lloyds Bank plc (the "Security Agent") (as trustee for the Secured Parties) any accounts and all monies (including interest) from time to time standing to the credit of those accounts with any bank, building society, financial institution or other person and the debt or debts represented thereby

The account[s] maintained with your [bank/building society/financial institution/other] [is/are]

Account Name[s] [•]

Sort Code[s] [•]

Account No[s] [•]

We irrevocably instruct and authorise you to disclose to the Security Agent without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to [any] account[s] maintained with you from time to time as the Security Agent may request you to disclose to it

By countersigning this notice, the Security Agent authorises you to permit us to withdraw and otherwise deal with funds standing to the credit of the above named account(s) until you receive notice in writing to the contrary from the Security Agent

This letter is governed by and will be construed in accordance with the laws of England

Please confirm your agreement to the above by signing the enclosed acknowledgement and returning it to the Security Agent (at Citymark, 150 Fountainbridge, Edinburgh EH3 9PE) with a copy to us

Yours faithfully

[•]

**Part 2**  
**Acknowledgement of Security over Accounts**

To               Lloyds Bank plc  
                  as Security Agent

Date            [•]

Dear Sirs

We confirm receipt from [•] (the "Chargor") of a notice dated [•] of a charge upon the terms of a debenture dated [•] February 2015 (the "Debenture") of all accounts and all monies (including interest) from time to time standing to the credit of the Chargor's account[s] (each as specified therein) (the "Account[s]") which [is/are] maintained with us and the debt or debts represented thereby

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts, security in respect of any Account[s] and similar rights (however described) which we may have now or in the future in respect of [each of] the Account[s] or the balance thereon

We confirm that we have not received notice of the interest of any third party in [any of] the Account[s]

This letter is to be governed by and will be construed in accordance with the laws of England

Yours faithfully

[Bank/Building Society/Financial Institution/Other]

cc               [•]



## SCHEDULE 8

### Form of Security Accession Deed

THIS SECURITY ACCESSION DEED is dated [●] 20[●]

#### AND IS MADE BETWEEN

- (1) Interfloor Group Limited (registered in England and Wales with registered number 05516829 and registered address at Broadway, Haslingden, Rossendale, Lancashire, BB4 4L for itself and for the Chargors (the "Parent"),
- (2) [●] (registered in England and Wales with registered number [●] and registered address at [●] (the "Additional Chargor"), and
- (3) Lloyds Bank plc as security trustee for itself and the other Secured Parties (the "Security Agent")

#### Whereas

- (A) This Security Accession Deed is supplemental to a debenture dated [●] February 2015 between, among others, the Parent, the Chargors and the Security Agent (the "Debenture")
- (B) [The Additional Chargor has also entered into an Accession Deed to the Facilities Agreement on or about the date of this Security Accession Deed and by doing so appoints the Parent as its agent on the terms set out in the Accession Deed]

#### It is agreed

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

- (a) Save to the extent otherwise defined in this Security Accession Deed, terms defined in the Debenture have the same meaning when used in this Security Accession Deed
- (b) In this Security Accession Deed, "Subsidiary Shares" means all shares present and future held by the Additional Chargor or its Subsidiaries including those listed in Schedule 3 (*Shares*) to this Security Accession Deed

#### 1.2 Interpretation

Clauses 1 2 (*Terms defined in other Finance Documents*), 1 3 (*Construction*), [1 4 (*Intercreditor Agreement*),] 1 5 (*Disposition of Property*) and 1 6 (*Clawback*) of the Debenture are incorporated in this Security Accession Deed as if they were set out in full in this Security Accession Deed, but so that references in those clauses to "this Debenture" shall be construed as reference to this Security Accession Deed

## **2. ACCESSION OF ADDITIONAL CHARGOR**

### **2.1 Accession**

The Additional Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all the terms and conditions of the Debenture as if it had originally been a party to it

### **2.2 Covenant to pay**

The Additional Chargor covenants with the Security Agent as security trustee for the Secured Parties to pay, discharge and satisfy the Secured Obligations when they become due for payment and discharge in accordance with their respective terms

## **3. FIXED SECURITY**

### **3.1 General**

All Security created by the Additional Chargor under this Clause 3 and Clause 4 (*Floating Charge*) inclusive is

- (a) granted in favour of the Security Agent as security trustee for the Secured Parties,
- (b) continuing security for the payment, discharge and performance of the Secured Obligations,
- (c) granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (but subject to any Permitted Security and any encumbrances described in the Certificate of Title), and
- (d) granted in respect of all the right, title and interest (if any), present and future, of the Additional Chargor in and to the relevant Charged Asset

### **3.2 Mortgage**

The Additional Chargor charges by way of first legal mortgage, all of its rights, title and interest from time to time in the Material Real Property, described in Schedule 2 (*Real Property*)

### **3.3 Assignment by way of Security**

- (a) The Additional Chargor assigns and agrees to assign absolutely (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3.2 (*Mortgage*)) and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same, all of its right, title and interest from time to time in and to each of the following assets
  - (i) any agreements, contracts, deeds, leases, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by,

given to or otherwise benefiting the Additional Chargor in respect of the Material Real Property described in Schedule 2 (*Real Property*),

- (ii) any Insurance Policies and all proceeds paid or payable thereunder, and
  - (iii) each of the Specific Contracts
- (b) Each Chargor shall remain liable to perform all its obligations under the assets described in paragraphs (a)(i) to (iii) above inclusive
- (c) Notwithstanding the other terms of this Clause 3 3, prior to a Declared Default, each Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Specific Contracts

### **3.4 Fixed charges**

The Acceding Chargor charges (to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3 2 (*Mortgage*) or assigned pursuant to Clause 3 3 (*Assignment by way of Security*)) by way of first fixed charge, all of its rights, title and interest from time to time in and to each of the following assets

- (a) the Material Real Property,
- (b) the Accounts,
- (c) its book and other debts and monetary claims owing to it and any proceeds of those debts and claims and all Related Rights,
- (d) the Intellectual Property,
- (e) the Plant and Machinery,
- (f) any goodwill and rights and claims in relation to its uncalled share capital,
- (g) the Investments,
- (h) any beneficial interest, claim or entitlement it has to any pension fund now or in the future, and
- (i) each of the assets which are described in Clause 3 3 (*Assignment by way of Security*)

## **4. FLOATING CHARGE**

### **4.1 Floating charge**

- (a) The Additional Chargor charges by way of first floating all of its present and future assets and undertaking other than assets effectively charged by way of legal mortgage

or fixed charge or assigned under clauses 3 2 (*Mortgage*), 3 4 (*Fixed Charges*) or 3 3 (*Assignment by way of Security*)

- (b) The floating charge created by paragraph (a) above is a qualifying floating charge and Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to such floating charge

#### **4.2 Conversion of floating charge to fixed charge**

- (a) The Security Agent may at any time by notice to the Additional Chargor convert the floating charge constituted under Clause 4 1 (*Floating charge*) with immediate effect into a fixed charge as regards any asset which is the subject of the floating charge and which is specified in the notice if
  - (i) this Security Accession Deed is enforceable in accordance with Clause 13 (*When security becomes enforceable*) of the Debenture,
  - (ii) the Security Agent reasonably considers that any of the Charged Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
  - (iii) the Security Agent reasonably considers that it is necessary in order to protect the priority of the Security
- (b) In addition, without prejudice to any rule of law which may have a similar effect, the floating charge constituted under Clause 4 1 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all assets the subject of the floating charge if
  - (i) an Additional Chargor creates (or attempts to create) any Security over any Charged Assets (save as expressly permitted under the Facilities Agreement),
  - (ii) an Additional Chargor disposes (or attempts to dispose) of all or any of its Charged Assets (save as expressly permitted under the Facilities Agreement),
  - (iii) any person levies (or attempts to levy) any distress, execution or other process against any Charged Asset, or
  - (iv) an Administration Event occurs

#### **5. Consent of existing charging companies**

The Chargors agree to the terms of this Security Accession Deed and agree that its execution will in no way prejudice or affect any Security granted by any of them by or under the Debenture

## **6. Security power of attorney**

### **6.1 Appointment and powers**

Each Additional Chargor by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things which the attorney may consider to be required or desirable for

- (a) carrying out any obligation imposed on such Additional Chargor by this Security Accession Deed or any other agreement binding on such Additional Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting the security created or intended to be created in respect of the Charged Assets), and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Security Accession Deed or by law (including, after the Debenture has become enforceable in accordance with Clause 13 (*When security becomes enforceable*) of the Debenture, the exercise of any right of a legal or beneficial owner of the Charged Assets)

### **6.2 Exercise of power of attorney**

The Security Agent may only exercise the power of attorney granted pursuant to Clause 66 1 (*Appointment and powers*) following

- (a) the occurrence of a Declared Default, or
- (b) the failure by the Parent to comply with any further assurance or perfection of security obligations required by the terms of the Debenture or any mortgage within ten Business Days of being notified of that failure by the Security Agent (with a copy of such notice being sent to the Parent) and being requested to comply

### **6.3 Ratification**

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers except to the extent caused by such attorney's fraud, gross negligence or wilful misconduct.

## **7. Counterparts**

This Security Accession Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Security Accession Deed

**8. Governing law and jurisdiction**

Clause 26 (*Governing law*) of the Debenture shall be incorporated in this Security Accession Deed as if set out here in full but so that references to the Debenture shall be construed as references to this Security Accession Deed

This Security Accession Deed has been entered as a deed on the date given at the beginning of this Security Accession Deed

**Schedule 1**

**Real Property**

**Schedule 2**

**Shares**

**Schedule 3**

**Intellectual Property**

**SIGNATURES TO THE SECURITY ACCESSION DEED**

**Parent**

Executed as a deed by )  
**Interfloor Group Limited** )  
 ) Director  
 )

in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

**Additional Chargor** )  
 )  
Executed as a deed by ) Director  
[•] )

in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

SIGNATURES TO THE DEBENTURE

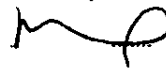
THE CHARGORS

Executed as a deed by  
INTERFLOOR GROUP LIMITED

)  
)



Director



in the presence of

Signature of witness

RAJ KHAURA

Name of witness

Occupation of witness

Address of witness

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

Executed as a deed by  
INTERFLOOR OPERATIONS LIMITED

)  
)



Director



in the presence of

Signature of witness

RAJ KHAURA

Name of witness

Occupation of witness

Address of witness

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL



Executed as a deed by  
INTERFLOOR INDUSTRIES LIMITED

)  
)



Director



RAJ KHANNA

in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

Executed as a deed by  
INTERFLOOR HOLDINGS LIMITED

)  
)



Director



RAJ KHANNA

in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

Executed as a deed by  
**DURALAY INTERNATIONAL  
HOLDINGS LIMITED**



in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

)  
)   
)  
Director  
  
**RAT KHALWA**

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

Executed as a deed by  
**INTERFLOOR LIMITED**



in the presence of

Signature of witness

Name of witness

Occupation of witness

Address of witness

)  
)   
)  
Director  
  
**RAT KHALWA**


TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

Executed as a deed by  
STIKATAK LIMITED

)   
)  
Director

in the presence of

Signature of witness

  
RAT CHAIRA

Name of witness

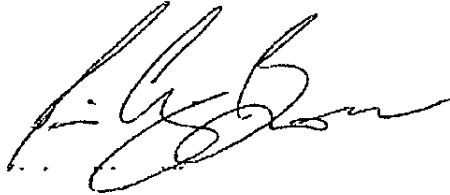
Occupation of witness

Address of witness

TRIVERS SMITH LLP  
10 SNOW HILL  
LONDON EC1A 2AL

SECURITY AGENT

Signed for and on behalf of  
LLOYDS BANK PLC

) 

WITNESS: FRASER MCLEISH



CITIMARK, 150 FOUNTAINBRIDGE  
EDINBURGH, EH3 9PE

BANKER.